#### COST OF CHILD CARE

## **NOTES**

#### Indicator

Cost of child care

## STATEWIDE: In fiscal year

In fiscal year 1999, 226,750 children in lowincome families received child care subsidies in California. This is only 13% of the 1,732,500 children estimated to be eligible for federal support.<sup>1</sup>

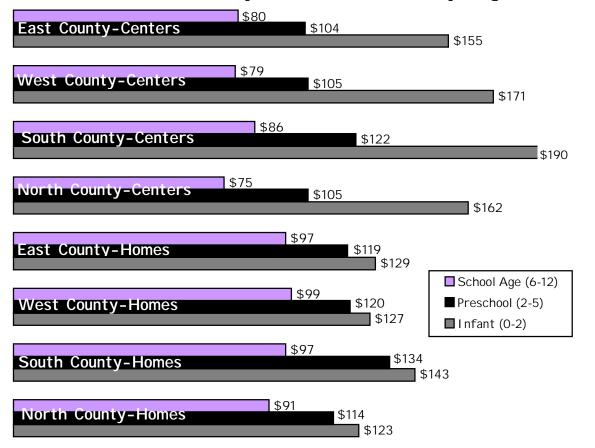
#### **Definition**

The average cost of child care per week in center-based and licensed family child care homes.

### **Findings**

In 2000/01, the average child care cost in Orange County was \$122 per week for center-based care and \$117 per week in licensed family child care homes. South County still has the most expensive care for all ages, in both center-based and family child care homes, ranging from \$190 a week for infant center-based care to \$97 a week for school age children in family child care homes. North County has the least expensive family child care homes (\$91-\$123) and East County has the least expensive child care in center-based care (\$80-\$155).

Average Cost of Child Care Per Week in Center-Based Child Care and Licensed Family Child Care Homes by Region 2000/01



# RELATED INDICATORS:

- CalWORKs
- Request for Child Care
- Developmental Disabilities

#### COST OF CHILD CARE

## **Summary**

The demand for child care in Orange County has risen over the past five years. Some of the challenges for parents seeking child care are the cost and availability of child care, particularly for infants and school-age children, availability of child care providers who can accommodate working parents with variable schedules and nontraditional work hours and the need to transport children from their school to their child care program.

- Child care funding for low income families continues to be insufficient and many eligible families remain on subsidy waiting lists. As of April 2001, there were approximately 8,000 eligible children on the Centralized Eligibility List whose parents were seeking financial assistance for child care.
- The dilemma posed for all families by the high costs of child care can be of particular burden for low-income families trying to find quality care for their children. Research shows that quality child care and early education programs can be instrumental in helping children overcome barriers to learning. Good child care and early education can help low income parents open the doors of opportunity to their children. Unfortunately, too many children are denied the opportunity to participate in quality programs because, in many cases, low income families have no choice but to place their children in lower cost, often lower quality care. As a result, many children are cared for in unstimulating or even unsafe settings, depriving them of the opportunity to learn, grow and thrive. This is alarming given that children from low-income families are at greater risk for school failure and are most in need of the strong start high quality care can provide.<sup>4</sup>

## **Implications**

A significant number of Orange County parents continue to find it difficult to secure quality and affordable child care. For example, a family making minimum wage (\$6.25/hr. or \$13,000/year) would be using 70% of their household income to pay for an infant in a licensed child care center (\$174/week or \$9,048/year). A low-income family, \$30,000/year or less, would need to allocate 30% of their household income. Compare these percentages to a family at the county median family income of \$65,916/year<sup>5</sup> who would spend 14% of their household income towards the cost of paying for an infant in a licensed child care center. The quality, reliability and availability of child care are additional factors that affect a parent's ability to continue employment and remain self-sufficient. Safe, affordable, quality child care not only benefits families and their children, but our community as a whole.

## **NOTES**



SEE
SUPPLEMENTAL
TABLES FOR
ADDITIONAL
DATA

NATIONWIDE: In 2001, poor families spent 35% of their income on child care compared to 7% by non-poor familes. For fiscal year 1999, 1.8 million children in lowincome families received federal child care subsidies on an average monthly basis. Yet. with 15 million children estimated to be eligible for federal support, only 12% of those children received federal help due to limited federal funds.3

DATA SOURCE:
Children's
Home Society of
California's Child
Care Resource
and Referral
Program

NOTES:

1,3U.S. Department of Health and Human Services
<sup>2</sup>The State of America's Children Yearbook, 2001
<sup>4</sup>The High Cost of Child Care Puts Quality Care Out of Reach for Many Families, 2000
<sup>5</sup>Orange County Facts and Figures, 2000

#### SUPPLEMENTAL TABLES: ECONOMIC WELL-BEING

#### Indicator

Requests and Cost for Child Care

Number of Requests for "Other Child Care Related Information"

Year	Number of Requests			
1999/00	158,809			
1998/99	67,505			
1997/98	41,398			
1996/97	26,236			
1995/96	34,970			
1994/95	26,479			

Source: Children's Home Society of California's Child Care and Development Services.

## County-Wide Average Orange County Family/ Child Care Center Costs\*

Licensed Family Child Care Homes**	94/95	97/98	98/99	99/00	00/01	Time Period
Infant Care	\$130	\$119	\$126	\$131	\$133	Per week
Preschool- 2 through 5 years of age	\$119	\$111	\$117	\$122	\$123	Per week
School-age- 6 through 13 years of age	\$ 77	\$ 90	\$93	\$96	\$97	Per week
Child Care Centers***	94/95	97/98	98/99	99/00	00/01	Time Period
Infant Care	\$167	\$163	\$165	\$170	\$174	Per week
Infant Care Preschool- 2 through 5 years of age	\$167 \$126	\$163 \$110	\$165 \$107	\$170 \$109	\$174 \$112	Per week Per week

\*Costs are from the Children's Home Society of California's Child Care Resource and Referral KIDCARE database. All of the care providers on our database are licensed providers, however, not all licensed care providers choose to be listed on our database. CHS currently has about 80% of all licensed care providers in Orange County listed in our database.

\*\*Family Child Care providers care for children in their homes and are licensed as follows: Small child care- 1) 4 infants only, 2) 6 children, no more than 3 of whom may be infants, 3) 8 children, no more than 2 infants, and 2 must be 6 years of age or older. Large family child carewhich requires a full time assistant to work with the licensed care provider- 1) 12 children, no more than 4 of whom may be infants, 2) 14 children, not more than 3 of whom may infants and 2 must be 6 years of age or older.

\*\*\*Child care centers include private-for-profit centers, parent-run cooperatives and church-based non-profits. The state regulates the ratio of caregivers, square footage and staff qualifications.

<u>Source</u>: Children's Home Society of California's Child Care Resource and Referral's Care Finder Database.